

ORIGINAL

**GENERAL ADMINISTRATIVE ORDER
OF THE INDIANA UTILITY REGULATORY COMMISSION
2003-1**

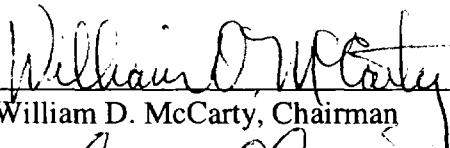
WHEREAS, in accordance with Title 170 Indiana Administrative Code Section 7-1.3-3(h)(1), telecommunications utilities subject to that section shall pay interest on customer deposits held for more than thirty (30) days.

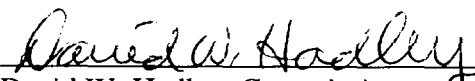
WHEREAS, Title 170 Indiana Administrative Code Section 7-1.3-3(h)(1) also requires the Indiana Utility Regulatory Commission to set annually the interest rate for such deposits.


WHEREAS, the interest rate for deposits shall be set by the Commission based upon the current rate for one-year United States Treasury Constant Maturity securities rounded to the nearest one-half (1/2) of one percent (1%).

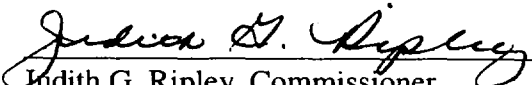
WHEREAS, the provisions in Title 170 Indiana Administrative Code Article 7-1.3 *et seq.* become effective on February 3, 2003.

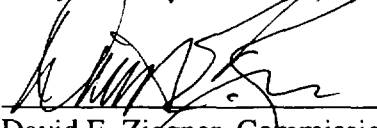
NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Policy Governing the Interest Rate for Telecommunications Customer Deposits Pursuant to Title 170 Indiana Administrative Code Section 7-1.3-3(h)(1) which is attached to the General Administrative Order as Appendix A be adopted by this Commission.


William D. McCarty, Chairman

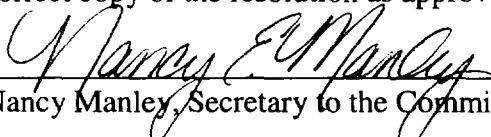

David W. Hadley, Commissioner


Larry S. Landis, Commissioner


Judith G. Ripley, Commissioner


David E. Ziegner, Commissioner

I hereby certify that the above is a true and correct copy of the resolution as approved.


Nancy Manley, Secretary to the Commission

Date: JAN 15 2003

APPENDIX A

POLICY GOVERNING THE INTEREST RATE FOR TELECOMMUNICATIONS CUSTOMER DEPOSITS PURSUANT TO TITLE 170 INDIANA ADMINISTRATIVE CODE SECTION 7-1.3-3(H)(1)

This policy is based upon the requirement in Title 170 Indiana Administrative Code Section 7-1.3-3(h)(1) that telecommunications utilities subject to that section pay interest on customer deposits held for more than thirty (30) days. The Indiana Utility Regulatory Commission sets the interest rate for such deposits based upon the current rate for one-year United States Treasury Constant Maturity securities rounded to the nearest one-half (1/2) of one percent (1%). On December 31, 2002, the rate for one-year United States Treasury Constant Maturity securities was 1.45%. Therefore, the Commission declares that effective February 3, 2003 to December 31, 2003, the interest rate for telecommunications customer deposits shall be **one and one-half percent (1.5%)**.